

2009 DRAFTING REQUEST

Bill

Received: **11/14/2008**

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Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Byrnes**

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Subject: **Transportation - mass trnst/rail**

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Pre Topic:

DOA:.....Byrnes, BB0213 -

Topic:

Passenger rail route development

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							State
/P1	agary 11/18/2008	bkraft 11/19/2008	mduchek 11/20/2008		lparisi 11/20/2008		

FE Sent For:

<END>

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1/?	agary	1/11 bjk 11/19	ND	M			State

11/19 11/19

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<END>

2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Passenger Rail Route Development
- Tracking Code: BB0213
- SBO team: Tax, Transportation and Budget Development Team
- SBO analyst: Tyler Byrnes
 - Phone: 266-1039
 - Email: tyler.byrnes@wisconsin.gov
- Agency acronym: DOT
- Agency number: 395
- Priority (Low, Medium, High): Medium

Intent: Please prepare a statutory language draft that increases the authorized level of general obligation bonding in the Rail Passenger Route Development program by \$40,000,000.

Department of Transportation 2009-2011 Biennial Budget Request STATUTORY MODIFICATIONS

DIN NUMBER: 5201

TOPIC: Railroad Passenger Service Development

DESCRIPTION OF CHANGE:

The Department requests an increase of \$40.0 million in General Obligation (GO) bonding authority, s. 20.866(2) (up), Wis. Stats., for the Rail Passenger Route Development Program. Current GO bonding authority for the program is \$82 million. Debt service for this GO bonding is paid from the State's General Fund.

JUSTIFICATION:

High fuel costs, environmental concerns, highway congestion, an inefficient and congested air travel system, and lack of other mobility options have increased the demand for passenger rail services. This is very evident with the State's current rail service between Milwaukee and Chicago, which has experienced double-digit percentage ridership increases in each of the last five years, has consistently set monthly and annual ridership records, is at standing room only on many trains despite adding an extra car, and has ridership 35% higher than this time a year ago.

The next crucial link for re-establishing an effective and efficient intercity passenger rail system in the state is the Madison – Milwaukee route. Linking the state's two largest cities by passenger rail will provide a needed alternative to many daily commuters and other travelers between these two cities, points along the way, and between Madison and Chicago. It will also provide a significant mobility option for those who are limited in their transportation options now.

Intercity passenger rail service between Madison and Milwaukee has been in the planning stages for several years. The Department has completed preliminary engineering on the line, has undertaken some of the environmental work, has received a Finding of No Significant Impact from the Federal Railroad Administration, and has purchased the rail corridor between Madison and Watertown. The next steps for development of the route are final design/engineering and construction.

The 2007-2009 Biennial Budget provided an additional \$32 million in bonding for this project for a total of \$80 million (\$2 million in program bonding was used for the acquisition and rehabilitation of the Milwaukee Intermodal Station). The \$80 million was based on the cost estimate at the time of \$400 million and a future federal funding program that would provide 80% of the funding.

As with all other infrastructure projects, the estimated cost has increased significantly in the last two years due to high fuel and materials costs. While the final cost will not be known until the final design and engineering are completed, the project cost is currently estimated at \$500 – \$600 million, including all design, engineering, capital infrastructure costs, and equipment costs. The requested increase of \$40 million would provide a total of \$120 million available, which represents the required 20% non-federal match.

Another significant change from two years ago is that there is now a federal intercity passenger rail funding program in place. The authorization was signed by the president and became Public Law 110-432 on October 16, 2008. The act provides several programs under which intercity passenger rail corridors could be funded and would provide federal funding to cover up to 80% of project costs.

Federal appropriation of funding and rule-making for the rail programs still need to occur. The work done on the Madison – Milwaukee corridor so far and the bonding already authorized will place Wisconsin in a good position to receive a grant as soon as the process is established. The additional bonding requested would further facilitate that position by authorizing the full 20% non-federal match, based on current estimates, which is needed to undertake the project.



State of Wisconsin
2009 - 2010 LEGISLATURE

in 11/18

LRB-0816/P1✓

ARG:.....

Lbjk

DOA:.....Byrnes, BB0213 - Passenger rail route development✓

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

SA ✓
X-ref ✓

do not gen.

1 AN ACT ...; relating to: the budget.✓

Analysis by the Legislative Reference Bureau

TRANSPORTATION✓

RAIL AND AIR TRANSPORTATION✓

Under current law, DOT✓ administers✓ a rail passenger route development program (program)✓ under which DOT may fund the following:✓

1. Capital costs related to Amtrak service extension routes or other rail service routes between the cities of Milwaukee and Madison, Milwaukee and Green Bay, Milwaukee and Chicago, Madison and Eau Claire, and Madison and La Crosse.✓
2. Railroad track or rail passenger station improvements related to an Amtrak service extension route, or establishing commuter rail service, between the city of Milwaukee and Waukesha County.✓
3. Rail passenger station improvements related to an existing rail passenger service.✓

Current law provides \$82,000,000 in general obligation bonding authority for the program, but does not provide for other sources of program funding. However, not more than \$10,000,000 of the bonding proceeds may be used for the purposes described in items 2. and 3., above, no proceeds may be used without JCF approval, and no proceeds may be used for the purposes described in items 1. and 2., above, unless DOT provides to JCF certain information.✓

This bill increases the authorized general obligation bonding authority for the program from \$82,000,000 to \$122,000,000 but does not modify any of these other program funding limitations.✓

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 20.866 (2) (up) of the statutes is amended to read:

20.866 (2) (up) *Transportation; rail passenger route development.* From the capital improvement fund, a sum sufficient for the department of transportation to fund rail passenger route development under s. 85.061 (3). The state may contract public debt in an amount not to exceed ~~\$82,000,000~~ \$122,000,000 for this purpose. Of this amount, not more than \$10,000,000 may be used to fund the purposes specified in s. 85.061 (3) (a) 2. and 3.

History: 1971 c. 42; 1971 c. 100 s. 23; 1971 c. 125, 211, 215, 236, 307, 330, 336; 1973 c. 90 ss. 148 to 149m, 555m (2); 1973 c. 333; 1975 c. 26, 39, 40, 41, 200, 224, 422; 1977 c. 4, 6; 1977 c. 29 ss. 385 to 387, 1650m (4), 1656 (43); 1977 c. 418; 1979 c. 4; 1979 c. 34 ss. 675a to 677v, 2102 (6) (a), (39) (a), (52) (a); 1979 c. 107, 221; 1981 c. 1 ss. 17, 18, 47; 1981 c. 20, 108, 317, 336; 1983 a. 27; 1983 a. 36 s. 96 (4); 1983 a. 97, 192, 195, 212; 1983 a. 410 s. 2202 (2); 1985 a. 6; 1985 a. 8 ss. 4, 12; 1985 a. 29 ss. 589m to 598, 3202 (23) (c), (26) (a), (53) (a); 1985 a. 77, 120, 332; 1987 a. 27, 295, 298, 399, 403, 409; 1989 a. 31, 46, 107, 122, 219, 336, 359, 366; 1991 a. 39, 51, 269, 309, 324; 1993 a. 2, 16, 98, 115, 213, 343, 377, 413, 437, 453, 485; 1995 a. 27 ss. 1159 to 1168s, 9126 (19), 9145 (1); 1995 a. 40, 57, 60, 113; 1995 a. 216, s. 30m and 9127; 1995 a. 227, 246, 372, 388, 416, 452; 1997 a. 27, 35, 61, 164, 237, 252; 1999 a. 4, 9, 146; 1999 a. 150 s. 672; 1999 a. 184; 2001 a. 12, 16, 103, 109; 2003 a. 33, 64, 91, 129; 2005 a. 1, 22, 25, 102, 300; 2007 a. 5; 2007 a. 20 ss. 582 to 597s, 9121 (6) (a); 2007 a. 226.

(END)



State of Wisconsin
2009 - 2010 LEGISLATURE

LRB-0816/P1
ARG:bjk:md

DOA:.....Byrnes, BB0213 - Passenger rail route development
FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

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